



THE TORONTO-DOMINION BANK

NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS AND MANAGEMENT PROXY CIRCULAR

THE TORONTO-DOMINION BANK

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

The Annual and Special Meeting of Shareholders of this Bank will be held in the Canadian Room, Royal York Hotel, 100 Front Street West, Toronto, on Wednesday, the 24th day of January, 1990 at 11:00 a.m. for the purposes of:

- (a) receiving the financial statements for the year ended October 31, 1989, and the auditors' report thereon;
- (b) electing directors;
- (c) appointing auditors and fixing their remuneration;
- (d) considering and, if thought fit, confirming the amendment to Shareholders' By-law No. 1, Section 2.10;
- (e) considering and, if thought fit, passing a special resolution authorizing an application to the Minister of Finance for approval of a proposal to increase the authorized capital of the Bank and approving By-law No. 6 (copies of the proposed special resolution and the proposed By-law No. 6 accompany this Notice); and
- (f) transacting such other business as may properly be brought before this Meeting.

By Order of the Board
R. G. BUMSTEAD
Senior Vice President,
General Counsel and Secretary

Toronto, 6th December 1989.

NOTE:

Details of the above items are contained in the accompanying Management Proxy Circular.

Shareholders who are unable to attend the Meeting in person are requested to complete the enclosed form of proxy and return it to the Secretary of the Bank at least forty-eight hours prior to the Meeting.

MANAGEMENT PROXY CIRCULAR

AS OF NOVEMBER 10th, 1989

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JANUARY 24th, 1990

SOLICITATION OF PROXIES

THIS MANAGEMENT PROXY CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF THE TORONTO-DOMINION BANK (THE "BANK") OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS (THE "MEETING") OF THE BANK TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE NOTICE OF MEETING ACCOMPANYING THIS MANAGEMENT PROXY CIRCULAR. THE SOLICITATION WILL BE PRIMARILY BY MAIL. THE RETURN OF PROXIES MAY ALSO BE SOLICITED BY REGULAR EMPLOYEES OF THE BANK AND BY THE BANK'S AGENTS AT NOMINAL COST. THE COSTS OF THE SOLICITATION WILL BE BORNE BY THE BANK.

EXERCISE OF DISCRETION BY PROXY

Subject to the provisions of the Bank Act (Canada) the shares represented by properly executed proxies received by management will be voted by the persons named in the enclosed form of proxy in accordance with the direction of the shareholders appointing them. IN THE ABSENCE OF ANY DIRECTION TO THE CONTRARY, THE COMMON SHARES REPRESENTED BY PROXIES RECEIVED BY THE MANAGEMENT WILL BE VOTED ON ANY POLL FOR THE ELECTION OF THE NOMINEES FOR DIRECTORS, FOR THE APPOINTMENT OF AUDITORS, FOR THE AMENDMENT OF SHAREHOLDERS' BY-LAW NO. 1, SECTION 2.10, FOR THE AUTHORIZATION OF AN APPLICATION TO INCREASE THE BANK'S AUTHORIZED CAPITAL AND FOR THE APPROVAL OF BY-LAW NO. 6 OF THE BANK, ALL AS DESCRIBED IN THIS MANAGEMENT PROXY CIRCULAR. IN THE ABSENCE OF ANY DIRECTION TO THE CONTRARY, THE CLASS A FIRST PREFERRED SHARES AND CLASS B FIRST PREFERRED SHARES REPRESENTED BY PROXIES RECEIVED BY THE MANAGEMENT WILL BE VOTED FOR THE AUTHORIZATION OF AN APPLICATION TO INCREASE THE BANK'S AUTHORIZED CAPITAL AND FOR THE APPROVAL OF BY-LAW NO. 6 OF THE BANK AS DESCRIBED IN THIS MANAGEMENT PROXY CIRCULAR. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to matters upon which the shareholder is entitled to vote not specifically mentioned in the Notice of Meeting, but which may properly come before the Meeting or any adjournments thereof and with respect to amendments to or variations of matters identified in the Notice of Meeting. As at the date hereof, management knows of no such amendment, variation or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and routine matters incidental to the conduct of the Meeting. If any further or other business is properly brought before the Meeting, it is intended to vote on such other business in such manner as the person appointed as proxy then considers to be proper.

VOTING AND OWNERSHIP OF SHARES

The Bank's shareholders will be entitled to vote at the annual and special meeting as follows:

Holders of common shares:

are entitled as set out below to vote on all matters requiring a shareholder's vote.

Holders of Class A first preferred shares:

are entitled as set out below to vote separately upon the special resolution authorizing an application to increase the Bank's authorized capital and approving By-law No. 6.

Holders of Class B first preferred shares:

are entitled as set out below to vote separately upon the special resolution authorizing an application to increase the Bank's authorized capital and approving By-law No. 6.

As of the date hereof, the Bank has 301,089,886 common shares, 16,166,010 Class A first preferred shares and 1,500,000 Class B first preferred shares issued and outstanding.

Holders of common shares, Class A first preferred shares and Class B first preferred shares in the capital of the Bank ("shareholders") registered on the books of the Bank as at the close of business December 5, 1989, the record date, are entitled to receive notice of the Meeting and as set out above are entitled to cast one vote for each share held except to the extent that the ownership of such shares has been transferred after December 5, 1989 and the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he owns such shares and requests not later than 10 days before the Meeting that his name be included in the list of shareholders, in which case the transferee, subject to the Bank Act, shall be entitled to vote such shares.

Every resolution that will be placed before the Meeting, except the special resolution increasing the maximum aggregate remuneration permitted to be paid to the Directors and the special resolution authorizing an application to increase the Bank's authorized capital and approving By-law No. 6, will be an ordinary resolution requiring a simple majority of the votes cast in respect of the resolution by holders of common shares for approval.

Confirmation of the amendment to shareholders' By-law No. 1, Section 2.10, increasing the maximum remuneration permitted to be paid to the Directors, shall be by special resolution requiring an affirmative vote of at least 66-2/3% of the votes cast in respect of the resolution for approval. Authorization of an application to increase the Bank's authorized capital and approval of By-law No. 6 shall also be by special resolution. This special resolution shall be voted upon separately by the holders of common shares as a class, the holders of Class A first preferred shares as a class, and the holders of Class B first preferred shares as a class, and shall require an affirmative vote of at least 66-2/3% of the votes cast in respect of the resolution by each such class of shareholders.

Proxies are to be returned to the Bank's transfer agent, The Royal Trust Company, for counting and tabulation. The results are then verified by the scrutineer of the Meeting. In the ordinary course, proxies are not submitted to the management of the Bank unless they contain comments clearly intended for management or when legal requirements make it necessary. Shareholders wishing to maintain complete confidentiality of their holdings and their voting thereof may elect to register their shares in the name of a nominee.

To the knowledge of the directors and officers of the Bank, no shareholder of the Bank beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all issued and paid up shares of any class of shares of the Bank.

APPOINTMENT AND REVOCATION OF PROXIES

The persons specified in the endorsed form of proxy are directors or officers of the Bank. EACH SHAREHOLDER HAS THE RIGHT TO APPOINT A PROXYHOLDER OR ONE OR MORE ALTERNATIVE PROXYHOLDERS TO ATTEND AND ACT AT THE MEETING OR ANY ADJOURNMENTS THEREOF IN THE PLACE OF THE PERSONS SPECIFIED IN THE ENCLOSED FORM OF PROXY. SUCH RIGHT MAY BE EXERCISED BY STRIKING OUT THE NAMES OF THE SPECIFIED PERSONS AND INSERTING THE NAME OF THE SHAREHOLDER'S NOMINEE(S) IN THE SPACE PROVIDED OR BY COMPLETING ANOTHER APPROPRIATE FORM OF PROXY AND, IN EITHER CASE, DELIVERING THE FORM OF PROXY TO THE SECRETARY OF THE BANK AT LEAST FORTY-EIGHT HOURS PRECEDING THE MEETING. DELIVERY TO THE ROYAL TRUST COMPANY AT 74, VICTORIA STREET, TORONTO, ATTENTION: CORPORATE TRUST SERVICES, WILL CONSTITUTE DELIVERY TO THE SECRETARY OF THE BANK. THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED AS DIRECTED BY EACH SHAREHOLDER.

A shareholder executing the enclosed form of proxy may revoke it by delivering to the Secretary of the Bank an instrument of revocation in writing at any time up to and including the last business day preceding the day of the Meeting or to the chairman of the Meeting.

VOTING RESTRICTIONS

Under the provisions of the Bank Act your right to vote Bank shares may be subject to certain restrictions. Shares of the Bank may not be voted in person or by proxy if

- (a) the shares are held by a resident of Canada for the use or benefit of a non-resident of Canada other than a United States resident; or
- (b) the shares of any class held by the shareholder together with the total number of shares of that class held for the shareholder and others associated with him exceed 10% of the outstanding shares of that class; or
- (c) the shareholder holds the shares in the name or right of or for the use or benefit of the Government of Canada, or a Province, or an agent thereof (including an official or corporation administering, managing or investing a fund established to provide compensation, hospitalization, medical care, annuity, pension or similar benefits to individuals, or moneys derived from such a fund) or the government of a foreign state or political subdivision, or an agent thereof.

The foregoing is a summary only. If further information concerning the relevant sections of the Bank Act is required for your assistance, please forward your request to the Secretary.

ELECTION OF DIRECTORS

The persons named in the enclosed form of proxy intend to vote for the nominees listed below who are now directors. Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but should that occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director's term of office is until the next annual election of directors or until his successor is elected. As required by the Bank Act, the following table provides a summary of the record of attendance by directors at directors' meetings during the twelve months ended October 31st, 1989, during which period the Board of Directors held 14 meetings. Attendance at Regional Committee Meetings in London, England, appears within brackets. The table also sets forth for each director: age, principal occupation and business, certain other directorships held, approximate number of Bank shares beneficially owned, directly or indirectly, or over which control or direction is exercised, and the date each became a director of the Bank.



| | | | | |
|--|-----------|---------------------------------|-------------------------|------------------|
| ¹ John D. Allan Mississauga, Ontario | Age 64 | Director Since December 1984 | Shares 10,000 Common | Attendance 10 |
|--|-----------|---------------------------------|-------------------------|------------------|

Chairman and Chief Executive Officer, Stelco Inc. (integrated steel manufacturer).

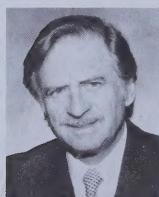
Other Directorships: C-I-L Inc., Confederation Life Insurance Company, Gulf Canada Resources Limited, GW Utilities Limited, Moore Corporation Limited and Rockwell International of Canada Ltd.



| | | | | |
|--|-----------|-------------------------------|-------------------------|-----------------|
| ¹ M. Norman Anderson Vancouver, B.C. | Age 58 | Director Since August 1979 | Shares 21,000 Common | Attendance 8 |
|--|-----------|-------------------------------|-------------------------|-----------------|

Managing Director, Anderson, Genssler & Schwab, Inc. (management consultants).

Other Directorships: Corona Corporation, Finning Ltd., Granges Inc., Gulf Canada Resources Limited, GW Utilities Limited, Pegasus Gold Inc., Sherritt Gordon Limited and SOLV-EX Corporation.



| | | | | |
|---|-----------|-------------------------------|------------------------|------------------|
| Philippe de Gaspé Beaubien Westmount, Quebec | Age 61 | Director Since August 1983 | Shares 6,000 Common | Attendance 11 |
|---|-----------|-------------------------------|------------------------|------------------|

Chairman, President and Chief Executive Officer, Telemedia Corporation (diversified communications).

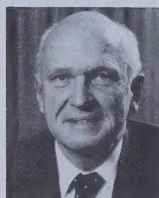
Other Directorships: Bombardier Inc., Canadian Satellite Communications Inc. and McDonald's Restaurants of Canada Limited.



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|--------------------------------------|-----------|-------------------------------|-------------------------|-----------------|
| G. Montegu Black Toronto, Ontario | Age 49 | Director Since August 1978 | Shares 35,000 Common | Attendance 9 |
|--------------------------------------|-----------|-------------------------------|-------------------------|-----------------|

Chairman and President, Txibanguan Limited (holding company).

Other Directorships: Argus Corporation Limited, Controlled Media Communications Inc., Hollinger Inc., Norcen Energy Resources Limited and United Canadian Shares Ltd.



| | | | | |
|---|-----------|---------------------------------|--------------------------|------------------|
| ^{2,3} Donald G. Campbell Etobicoke, Ontario | Age 64 | Director Since February 1978 | Shares 189,830 Common | Attendance 11 |
|---|-----------|---------------------------------|--------------------------|------------------|

Chairman, Maclean Hunter Limited (diversified communications).

Other Directorships: Canada Life Assurance Company, Interhome Energy Inc., Stelco Inc. and The Toronto Sun Publishing Corporation.



| | | | | |
|------------------------------------|-----------|----------------------------------|------------------------|-----------------|
| André Chagnon Vaudreuil, Quebec | Age 61 | Director Since September 1989 | Shares 5,000 Common | Attendance 2 |
|------------------------------------|-----------|----------------------------------|------------------------|-----------------|

Chairman of the Board, President and Chief Executive Officer, Le Groupe Vidéotron Ltée (diversified communications).

Other Directorships: Télé-Métropole Inc., Videotron Communications Limited and Vidéotron Ltée.



| | | | | |
|--|-----------|-------------------------------|------------------------|-----------------|
| The Honourable Jean Chrétien Ottawa, Ontario | Age 55 | Director Since August 1987 | Shares 4,000 Common | Attendance 8 |
|--|-----------|-------------------------------|------------------------|-----------------|

Counsel, Lang Michener Lawrence and Shaw (barristers and solicitors).

Other Directorships: Stone Consolidated Inc. and Viceroy Resource Corporation.



Gail Cook-Bennett
Etobicoke, Ontario

Age
48

Director Since
August 1989

Shares
2,000 Common

Attendance
3

Executive Vice President, Bennecon Ltd. (management consultants).

Other Directorships: The Consumers' Gas Company Limited, The Manufacturers Life Capital Corporation, The Manufacturers Life Insurance Company and The Stadium Corporation of Ontario Ltd.



² Robert R.B. Dickson
Toronto, Ontario

Age
62

Director Since
February 1981

Shares
21,624 Common

Attendance
13

Formerly Vice Chairman of the Bank.

Other Directorships: Metall Mining Corp. and Saab-Scania Canada, Inc.



Fredrik S. Eaton
Toronto, Ontario

Age
51

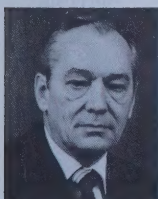
Director Since
December 1977

Shares
44,286 Common

Attendance
11

Chairman, The T. Eaton Company Limited (department store retailers).

Other Directorships: Baton Broadcasting Incorporated, Canada Packers Inc., Hollinger Inc. and Norcen Energy Resources Limited.



^{2,3} William M. Elliott
Regina, Saskatchewan

Age
67

Director Since
December 1977

Shares
68,000 Common

Attendance
12

Counsel, MacPherson, Leslie & Tyerman (barristers and solicitors).

Other Directorships: IPSCO Inc., Kalium Canada, Inc., Northern Power Limited, Petro-Canada, Producers Pipelines Inc. and Westspur Pipe Line Company (1985) Inc.



⁴ Cecil S. Flenniken
Montreal, Quebec

Age
64

Director Since
November 1978

Shares
30,000 Common

Attendance
13

Chairman, President and Chief Executive Officer, Canadian Pacific Forest Products Limited (forest products company).

Other Directorships: Dominion Cellulose Limited, Facelle Company Limited and NBIP Forest Products Inc.



Sir Alistair G. Frame
Surrey, England

Age
60

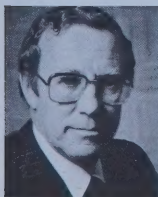
Director Since
March 1981

Shares
3,430 Common

Attendance
1 (4)

Chairman, The RTZ Corporation PLC (integrated natural resource company).

Other Directorships: CRA Limited, Davy Corporation, Eurotunnel plc, Glaxo Holdings and Rio Algom Limited.



¹ Gordon C. Gray
Richmond Hill, Ontario

Age
62

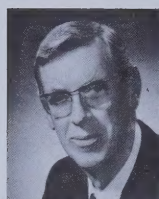
Director Since
March 1979

Shares
37,802 Common

Attendance
10

Chairman, Royal LePage Limited (real estate brokerage and professional services).

Other Directorships: CGC Inc., Markborough Properties Inc., McDonald's Corporation, Rio Algom Limited and Rogers Communications Inc.



| | | | | |
|--------------------------------|-----|----------------|---------------|------------|
| ¹ W. Norman Kissick | Age | Director Since | Shares | Attendance |
| Agincourt, Ontario | 59 | August 1983 | 17,144 Common | 11 |

Chairman and Chief Executive Officer, Union Carbide Canada Limited (plastics, chemicals, gases and carbon products manufacturers).

Other Directorships: Canadian Pacific Forest Products Limited.



| | | | | |
|------------------------------|-----|----------------|------------------------------------|------------|
| The Honourable E. Leo Kolber | Age | Director Since | Shares | Attendance |
| Westmount, Quebec | 60 | July 1971 | 63,330 Common 800,000 Preferred | 11 |

Chairman, Claridge Inc. (investment company).

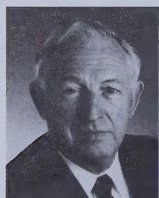
Other Directorships: E.I. Du Pont de Nemours & Company and The Seagram Company Ltd.



| | | | | |
|---------------------------------|-----|----------------|----------------|------------|
| ² Robert W. Korthals | Age | Director Since | Shares | Attendance |
| Toronto, Ontario | 56 | August 1980 | 100,102 Common | 12 |

President of the Bank.

Other Directorships: Co-Steel Inc., Hayes-Dana Inc. and Jannock Limited.



| | | | | |
|-----------------------------------|-----|----------------|---------------|------------|
| ^{2,3} H. Gordon MacNeill | Age | Director Since | Shares | Attendance |
| Toronto, Ontario | 64 | August 1972 | 47,896 Common | 13 |

Chairman and Chief Executive Officer, Jannock Limited (management company).

Other Directorships: Aetna Life Insurance Company of Canada, Bowater Incorporated, Empire Company Limited, Hayes-Dana Inc., Interhome Energy Inc. and Scott Paper Limited.



| | | | | |
|-----------------------|-----|----------------|---------------|------------|
| Frederick G. McDowell | Age | Director Since | Shares | Attendance |
| Willowdale, Ontario | 60 | February 1981 | 50,000 Common | 14 |

Vice Chairman of the Bank.

Other Directorships: Atlantic Shopping Centres Limited, Jim Pattison Group Inc., Mobil Oil Canada, Ltd., Zurich Indemnity Company of Canada and Zurich Life Insurance Co. of Canada.



| | | | | |
|--------------------------------|-----|----------------|---------------|------------|
| ^{2,3} Arne R. Nielsen | Age | Director Since | Shares | Attendance |
| Calgary, Alberta | 64 | July 1970 | 29,500 Common | 12 |

Energy Consultant.

Other Directorships: Aetna Life Insurance Company of Canada, Coscan Development Corporation, Fortis Inc., Mark Resources Inc., Phillips Cables Ltd., Rockwell International of Canada Ltd., Royal Trust Energy Resources Corporation and Saskatchewan Oil and Gas Corporation.



| | | | | |
|------------------|-----|----------------|--------------|------------|
| Gordon P. Osler | Age | Director Since | Shares | Attendance |
| Toronto, Ontario | 67 | September 1952 | 3,772 Common | 12 |

Company Director.

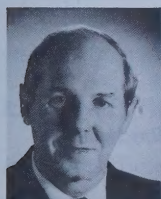
Other Directorships: Co-Steel Inc., Household International, Inc., IPSCO Inc., Maclean Hunter Limited, MICC Investments Limited, The Mortgage Insurance Company of Canada, North American Life Assurance Company and TransCanada PipeLines Limited.



| | | | | |
|----------------------|-----|----------------|---------------|------------|
| James A. Pattison | Age | Director Since | Shares | Attendance |
| West Vancouver, B.C. | 61 | August 1985 | 25,000 Common | 14 |

Chairman, President and Chief Executive Officer, The Jim Pattison Group (management holding company).

Other Directorships: Crown Life Insurance Company, Famous Players Inc., Henley Group Inc., Hughes Aircraft of Canada Limited, Innopac Inc., MacMillan Bloedel Limited and Paramount Communications Inc.



| | | | | |
|--------------------|-----|----------------|--------------|------------|
| Donald J. Phillips | Age | Director Since | Shares | Attendance |
| Toronto, Ontario | 59 | January 1981 | 2,072 Common | 11 |

Chairman, President and Chief Executive Officer, Inco Limited (primary metals and formed metal products).

Other Directorships: Enserch Corporation.



| | | | | |
|-------------------------------------|-----|----------------|---------------|------------|
| ^{2,3} Robert J. Richardson | Age | Director Since | Shares | Attendance |
| Westmount, Quebec | 61 | January 1973 | 30,000 Common | 11 |

Company Director.

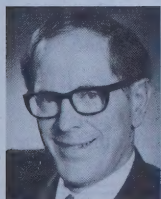
Other Directorships: Alberta Natural Gas Ltd., Inco Limited, New York Life Insurance Company, Oxford Development Group Inc. and Pétromont Inc.



| | | | | |
|------------------|-----|----------------|---------------|------------|
| Edward S. Rogers | Age | Director Since | Shares | Attendance |
| Toronto, Ontario | 56 | August 1989 | 10,000 Common | 4 |

President and Chief Executive Officer, Rogers Communications Inc. (diversified communications).

Other Directorships: Canada Publishing Corp., Cantel Inc., CNCP Telecommunications, The Great Lakes Reinsurance Company and Munich Reinsurance Company of Canada.



| | | | | |
|----------------------------------|-----|----------------|---------------|------------|
| ^{2,3} William L. Sauder | Age | Director Since | Shares | Attendance |
| Vancouver, B.C. | 63 | February 1978 | 41,674 Common | 9 |

President and Chief Executive Officer, Sauder Industries Limited (forest products).

Other Directorships: British Columbia Hydro and Power Authority and International Forest Products Limited.



| | | | | |
|--------------------------------|-----|----------------|----------------|------------|
| ^{2,3} Donald R. Sobey | Age | Director Since | Shares | Attendance |
| Stellarton, N.S. | 55 | May 1978 | 158,629 Common | 11 |

Chairman, Empire Company Limited (investment company).

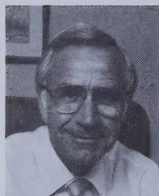
Other Directorships: Halifax Developments Limited, Jannock Limited, Underwriting Member of Lloyd's of London, Maritime Telegraph & Telephone Company Limited, National Sea Products Limited, Provigo Inc., Sydney Steel Corporation, Tuckahoe Financial Corporation and Wajax Limited.



| | | | | |
|------------------------------|-----|----------------|---------------|------------|
| ^{2,3} John L. Stoik | Age | Director Since | Shares | Attendance |
| Willowdale, Ontario | 69 | August 1979 | 46,304 Common | 12 |

Company Director.

Other Directorships: Cooperative Energy Development Corporation, Gulf Canada Resources Limited, GW Utilities Limited, Newgrade Energy Inc. and Nova Scotia Resources Limited.



Robert Stollery
Edmonton, Alberta

Age
65

Director Since
March 1987

Shares
70,172 Common

Attendance
11 (1)

Chairman, PCL Construction Group Inc. (construction).

Other Directorships: Chembiomed Ltd., Federal Industries Ltd. and PCL-Braun-Simons Ltd.



Alan Sweatman
Winnipeg, Manitoba

Age
68

Director Since
December 1970

Shares
22,000 Common

Attendance
9

Partner, Thompson, Dorfman, Sweatman (barristers and solicitors).

Other Directorships: Greater Winnipeg Gas Company, Greyhound Lines of Canada Ltd., Hudson Bay Mining & Smelting Co., Limited, Inspiration Resources Corporation and Inter-City Gas Corporation.



John M. Thompson
Toronto, Ontario

Age
47

Director Since
August 1988

Shares
5,000 Common

Attendance
12

Chairman and Chief Executive Officer, IBM Canada Ltd. (business machinery and equipment manufacturers).

Other Directorships: IBM Bahamas Limited, IBM Canada Credit Inc. and International Business Machines Canada Ltd.



Kenneth R. Thomson
Toronto, Ontario

Age
66

Director Since
January 1970

Shares
43,380 Common

Attendance
10

Chairman, The Thomson Corporation (diversified communications and travel).

Other Directorships: Hudson's Bay Company, IBM Canada Ltd., Markborough Properties Inc. and The Woodbridge Company Limited.



² Richard M. Thomson
Toronto, Ontario

Age
56

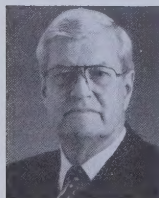
Director Since
April 1971

Shares
150,244 Common

Attendance
13

Chairman and Chief Executive Officer of the Bank.

Other Directorships: The Cadillac Fairview Corporation Limited, CGC Limited, Eaton's of Canada Limited, Inco Limited, Prudential Insurance Co. of America, S.C. Johnson & Son, Limited, The Thomson Corporation and Union Carbide Canada Limited.



^{2,3} W. Maurice Young
Vancouver, B.C.

Age
65

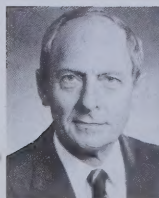
Director Since
August 1972

Shares
20,000 Common

Attendance
4

Chairman and Chief Executive Officer, Marin Investments Limited (investment company).

Other Directorships: Consolidated Freightways, Inc. and Whistler Mountain Ski Corp.



¹ Adam H. Zimmerman
Toronto, Ontario

Age
62

Director Since
August 1982

Shares
20,074 Common

Attendance
8

Chairman and Chief Executive Officer, Noranda Forest Inc. (forest products).

Other Directorships: Noranda Inc., The Algoma Steel Corporation Limited, BMW Canada Limited, Canada Packers Inc., Economic Investment Trust Limited, Koninklijke Nederlandse Papierfabriken, MacMillan Bloedel Limited, The Pittston Company and Southam Inc.

¹Member of Audit Committee

²Member of Executive Committee

³Member of Nominating Committee

⁴Member of Audit, Executive and Nominating Committees
(directors serve on Board committees on a rotating basis)

Dr. Cook-Bennett and Messrs. Rogers and Chagnon have been elected to the Board since the last annual meeting of the shareholders. Each has held senior management positions with his or her present employer or a related company during the past five years.

Mrs. Mona L. Campbell, who has served as a Director since January 1976, will not be standing for re-election due to the retirement policies of the Board. During the twelve months ended October 31st, 1989, Mrs. Campbell attended 12 meetings of the Board.

Mr. A. Jean de Grandpré was elected to the Board in May 1969. He is a former Chairman of BCE Inc. Mr. de Grandpré resigned from the Board in May 1989. During the twelve months ended October 31st, 1989, he attended 6 meetings of the Board.

REMUNERATION OF DIRECTORS AND OFFICERS

The table below shows the aggregate remuneration paid by the Bank during its last completed financial year to its directors and those officers who received aggregate remuneration in excess of \$75,000.

STATEMENT OF DIRECTORS' AND OFFICERS' REMUNERATION FROM THE BANK AND ITS SUBSIDIARIES

NATURE OF REMUNERATION EARNED

| | Directors' fees | Salaries | Bonuses | Non- accountable expenses | Others | Total |
|---|--------------------|--------------|---------|---------------------------------|--------|--------------|
| 1. REMUNERATION OF DIRECTORS | | | | | | |
| (A) Number of directors: 37 | | | | | | |
| (B) Corporation incurring the expense: | | | | | | |
| The Toronto-Dominion Bank | \$957,550 | NIL | NIL | NIL | NIL | \$957,550 |
| Subsidiaries | NIL | NIL | NIL | NIL | NIL | NIL |
| 2. REMUNERATION OF OFFICERS OVER \$75,000 | | | | | | |
| (A) Number of officers: 234 | | | | | | |
| (B) Corporation incurring the expense: | | | | | | |
| The Toronto-Dominion Bank | | \$26,380,288 | NIL | NIL | NIL | \$26,380,288 |
| Subsidiaries | | NIL | NIL | NIL | NIL | NIL |
| TOTALS | \$957,550 | \$26,380,288 | NIL | NIL | NIL | \$27,337,838 |

CASH COMPENSATION OF EXECUTIVE OFFICERS

The aggregate cash compensation for services rendered to the Bank and its subsidiaries paid during the most recently completed financial year to the Bank's thirty-seven executive officers was \$6,783,540.

OPTIONS TO PURCHASE SECURITIES

No option to purchase securities of the Bank has been issued.

PLANS

Certain officers of the Bank were participants in the Bank's Stock Option Equivalent Plan. The value of units awarded under this plan was determined by the average of the increase in the market and book values of the Bank's common shares over 5 year periods. The aggregate of payments made under this plan during the last completed fiscal year, and not previously reported, to (i) the Bank's thirty-seven executive officers and (ii) all officers, including executive officers, who received in excess of \$75,000 in the last completed fiscal year were \$2,304,840 and \$3,290,379 respectively. The Stock Option Equivalent Plan has now ended.

Certain officers of the Bank are participants in the Bank's Incentive Compensation Plan. Awards under this plan are dependent upon performance thresholds based on Return on Equity and Return on Assets achieved by the Bank with payments reflecting the level of Bank performance. Compensation is paid partly in the year of the award and partly deferred for three to four years thereafter.

The aggregate of payments made under this plan during the last completed fiscal year, and not previously reported, to (i) the Bank's thirty-seven executive officers and (ii) all officers, including executive officers, who received in excess of \$75,000 in the last completed fiscal year were \$1,689,610 and \$2,765,695 respectively. The aggregate of payments proposed to be made under this plan in the future to (i) the Bank's thirty-seven executive officers and (ii) all officers, including executive officers, who received in excess of \$75,000 in the last completed fiscal year are \$5,108,382 and \$9,609,741 respectively.

Certain officers of the Bank are participants in the Bank's Long Term Incentive Plan. Payments under this plan are dependent upon an increase in the market price of the Bank's common shares as of the date of redemption. Compensation is deferred for a period of four to six years. The aggregate of payments made under this plan during the last completed fiscal year, and not previously reported, to (i) the Bank's thirty-seven executive officers and (ii) all officers, including executive officers, who received in excess of \$75,000 in the last completed fiscal year were \$18,460 and \$23,205 respectively. The aggregate of payments proposed to be made under this plan in the future to (i) the Bank's thirty-seven executive officers and (ii) all officers, including executive officers, who received in excess of \$75,000 in the last completed fiscal year are \$12,496,106 and \$24,516,311 respectively.

Certain officers of the Bank participate in the Bank's contributory defined benefit pension plan (the "Pension Plan"). Pensions under the Pension Plan are based on pensionable service and the average annual pensionable earnings for the five year period immediately preceding retirement. In addition, the Bank has entered into supplementary retirement income agreements with certain officers pursuant to which such officers of the Bank are entitled, upon retirement, to receive a pension benefit equal to the difference between the amount received by such officers under the Pension Plan and such amount as is equal to 70 percent of such officers' average annual salary for the five year period immediately preceding retirement. It is impracticable to state the amounts that will be payable under these supplementary retirement income agreements as such amounts are dependent upon the future employment and salary levels of such officers and continue for the lifetime of such officers.

Currently, 225 officers of the Bank are participants in one or more of the above plans.

OTHER COMPENSATION TO EXECUTIVE OFFICERS

Non-cash compensation benefits to the Bank's thirty-seven executive officers during the most recently completed financial year constituted, on average, less than \$25,000 per individual.

DIRECTOR'S REMUNERATION

Each director of the Bank is entitled to be paid \$19,500 per annum for his services as a director. Each director who is not an employee is entitled to \$3,000 per annum for his services as a member of the Audit, Executive, Management Resources and Compensation Advisory, and Pension Fund Investment Review Committees of the Board, excluding the Chairmen of those Committees. The Chairman of each of the Audit Committee and the Management Resources and Compensation Advisory Committee is entitled to receive \$12,500 per annum for his services in that capacity. In all cases, directors who are not employees are entitled to an attendance fee of \$550 per meeting and the reimbursement of their expenses.

LOANS TO DIRECTORS AND OFFICERS

Loans to officers who are proposed management nominees for election as directors have been made by the Bank and its subsidiaries for the purposes of private investment, including the acquisition of Bank shares, housing and personal requirements. Such indebtedness during the year ended October 31, 1989 and at the date hereof was as follows:

| | <i>High for year Ended October 31 1989</i> | <i>Average Rate per Annum</i> | <i>Balance as at November 10 1989</i> |
|----------------|--|---------------------------------------|---|
| R. W. Korthals | \$208,315 | 8.33% | \$160,000 |
| F. G. McDowell | \$ 10,000 | 14.82% | \$ 10,000 |
| R. M. Thomson | \$456,084 | 7.95% | \$369,513 |

MATERIAL INTEREST OF BANK'S DIRECTORS OR OFFICERS

None of the Bank's directors or officers, or the proposed management nominees for election as directors of the Bank, nor any associate or controlled corporation of such person had any direct or indirect material interest, since the beginning of the Bank's last completed financial year, in respect of any matter that has materially affected or will materially affect the Bank or any of its subsidiaries, except as arose from the transaction of regular banking services.

EMPLOYEE SAVINGS PLAN

The Bank has an Employee Savings Plan pursuant to which all eligible employees are permitted to contribute a percentage of their annual basis salary up to a maximum of 5% or \$1,500, whichever is less. Effective January 1st, 1990 the maximum employee

contribution permitted will be increased to \$2,000. Pursuant to this Plan the Bank contributes, for the account of each participant, an amount equal to 50% of the participant's contribution to the Plan. The contributions are held, invested, managed and distributed by a Trustee.

APPOINTMENT OF AUDITORS

The firms and/or members of Clarkson Gordon, Price Waterhouse and Thorne Ernst & Whinney have held appointments in accordance with the Bank Act as auditors of the Bank during the five financial years ended October 31, 1989. Unless authority to do so is withheld, the persons named in the enclosed Appointment of Proxy intend to appoint Ernst & Young (formerly known as Clarkson Gordon) and Price Waterhouse auditors to hold office until the next ensuing annual meeting of shareholders of the Bank.

AMEND SHAREHOLDERS' BY-LAW NO. 1 SECTION 2.10

The above By-law reads as follows:

"2.10 Remuneration:

The directors shall be paid such remuneration for their services as the Board may from time to time by resolution determine. The remuneration to be paid to the directors as such in the aggregate shall not exceed \$1,000,000.00 in each year and individually shall be such amounts as the Board shall from time to time by resolution determine. The remuneration, if any, payable to a director who is also an officer or employee of the Bank or who serves it in any professional capacity shall, unless the Board otherwise directs, be in addition to his salary as an officer or employee or to his professional fees, as the case may be. The directors may also be paid their reasonable out of pocket expenses incurred in attending meetings of the Board, shareholders or committees of the Board or otherwise in the performance of their duties."

A motion will be put before the common shareholders at the Meeting to provide for an increase in the maximum aggregate remuneration permitted to be paid to Directors as such from \$1,000,000. to \$1,200,000.

PROPOSAL PROVIDING FOR THE INCREASE OF THE MAXIMUM NUMBER OF CLASS A FIRST PREFERRED SHARES AND CLASS B FIRST PREFERRED SHARES AUTHORIZED TO BE ISSUED AND THE INCREASE OF THE MAXIMUM CONSIDERATION FOR WHICH SUCH CLASS B FIRST PREFERRED SHARES MAY BE ISSUED

The Bank Act permits the Bank, with the approval of the Minister of Finance, to increase its authorized capital by increasing the maximum number of Class A first preferred shares, having a par value of \$25.00, which may be issued and outstanding and the maximum aggregate consideration for which Class B first preferred shares, without par value, may be issued. The Bank Act also permits the Bank to increase the number of Class B first preferred shares, without par value, authorized to be issued by the Bank to an unlimited number.

Toronto Dominion continues to be one of the best capitalized banks in North America. The Bank's strong capital base has been a factor in both its high credit ratings and its exceptional operating performance. The Bank's capital also supports Toronto Dominion's ongoing growth in assets. Although the Bank anticipates that future requirements will be funded from retained earnings, increasing the authorized preferred share capital would provide greater flexibility in managing its capital and enable the Bank to take advantage of market opportunities as they arise.

Because each Class A first preferred share has a par value of \$25.00, increasing the maximum number of such shares which may be issued from the present limit of 25,000,000 to 40,000,000 would effectively increase the Bank's authorized capital for such shares to \$1,000,000,000. We believe that increasing the authorized capital for the Class A first preferred shares and Class B first preferred shares from an aggregate of \$1,250,000,000 to \$2,000,000,000 will allow the Bank to employ its capital to the greatest advantage for the foreseeable future.

At the present time the maximum number of Class B first preferred shares which may be issued is 25,000,000. The maximum number of Class B first preferred shares, without par value, which can be issued is an arbitrary figure unrelated to the Bank's authorized capital. Increasing this to an unlimited number would also increase the Bank's options for dealing with future capital requirements.

For these reasons, the Bank will present the special resolution set out below to the meeting.

The Bank Act entitles the holders of each of the Bank's three classes of shares, that is, the common shares, the Class A first preferred shares and the Class B first preferred shares, to vote separately as a class on such a special resolution.

This proposal will not affect the rights, privileges, restrictions, conditions or priorities of any issued or authorized classes or series of shares of the Bank. No shares of the Bank have any pre-emptive rights. No constraints except those of the Bank Act exist on the issue or transfer of any shares of the Bank.

IN THIS CONNECTION THE FOLLOWING SPECIAL RESOLUTION WILL BE PRESENTED TO THE MEETING:

RESOLVED as a special resolution that

1. it is proposed that (a) the maximum number of Class A first preferred shares which may be issued and outstanding shall be increased to 40,000,000, (b) the maximum number of Class B first preferred shares which may be issued shall be increased to an unlimited number and the aggregate consideration for which such shares may be issued shall be increased to \$1,000,000,000, and (c) the authorized capital of the Bank shall be increased accordingly;

2. the Bank be and it is hereby authorized to make application to the Minister of Finance pursuant to the provisions of the Bank Act to approve the proposal referred to in paragraph 1 of this special resolution and the proper officers of the Bank be and they are hereby authorized to take such steps and execute such documents and do such things as may be necessary or desirable in connection with such authorization; and

3. subject to the approval of the Minister of Finance of the proposal of the Bank above recited, By-law No. 6, being a By-law to increase the number of Class A first preferred shares and Class B first preferred shares of the Bank authorized to be issued, and to increase the maximum consideration for which such Class B first preferred shares may be issued, be and the same is hereby approved as a By-law of the Bank.

GENERAL MATTERS

At the time of issue of this Management Proxy Circular the Bank has no matter of any particular significance, other than matters described in the Notice, which it intends to place before the holders of shares of the Bank at the Annual and Special Meeting, scheduled for January 24th, 1990.

We would be pleased to have you attend the Meeting. However, if your shares may be properly voted and you do not intend to be present at the Meeting, you are requested to fill in, sign and return the accompanying Appointment of Proxy in the enclosed envelope at your earliest convenience.

The 134th Annual Statement of the Bank for the financial year ended October 31, 1989 is being mailed to Shareholders with this Notice and Management Proxy Circular.

DIRECTORS' APPROVAL

The Board of Directors of the Bank has approved the contents of this Management Proxy Circular and its sending to the shareholders.

R. G. Bumstead
Secretary

BY-LAW NO. 6

PROVIDING FOR THE INCREASE OF THE NUMBER OF CLASS A FIRST PREFERRED SHARES AND CLASS B FIRST PREFERRED SHARES AUTHORIZED TO BE ISSUED AND THE INCREASE OF THE MAXIMUM CONSIDERATION FOR WHICH SUCH CLASS B FIRST PREFERRED SHARES MAY BE ISSUED.

The maximum number of Class A first preferred shares, having a par value of \$25.00, authorized to be issued and outstanding by the Bank be and is hereby increased to 40,000,000, the maximum number of Class B first preferred shares, without par value, authorized to be issued by the Bank be and is hereby increased to an unlimited number, the maximum consideration for which such Class B first preferred shares may be issued be and is hereby increased to \$1,000,000,000, and the authorized capital of the Bank shall be increased accordingly.

